

**USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 15 APRIL 2005**

I. CEFMS:

A. We have been "tweaking" the new bulk credit card CEFMS process due to minor problems that have been reported as users created new transactions. We participated with HQUSACE and representatives from the Mississippi Valley Division (MVD) in a teleconference to discuss the credit card procedures. After receiving many complaints from the field on the new bulk process, we submitted two alternatives that could possibly make the process more streamlined. We are awaiting guidance from HQUSACE (CERM-F) on whether the alternatives comply with policy and are acceptable to the DoDIG auditors.

B. We created a new view screen requested by users, to display the detail cost records for the customer order unbilled amounts. The new screen may be accessed by clicking on the tab 'View Cost Account Detail' in screen 7.1.6 'Customer Order Unbilled Amounts'.

C. We tested the Check Stubs Program to verify that the email function is still working. We did this when the Western Processing Center (WPC) began replacing the Email Gateways. WPC are still working on this task, and therefore, we will continue our testing of the travelers' email function to assure that changes at the processing centers do not adversely impact the CEFMS process.

D. We tested and released a modification to the disbursing program that processes rejects from the Federal Reserve Bank. These are processed as miscellaneous disbursements from appropriation 96X6500 after the UFC receives a credit from Treasury. Previously, CEFMS was not selecting the Operating Agency Code. We corrected this and released the change as an emergency release.

E. We researched a disbursing problem on the Honolulu District (POH) database where the general ledger correlations were not selected in the credit card disbursing program. Research showed that this was a training obligation that had been converted to a credit card payment going to US Bank. All data elements appeared normal except that the obligation pay terms were 450 days. This put the obligation into a 'non-current' status since it was greater than 365 days. We will write a script to correct the data.

F. We developed a new CEFMS table for use by the Gulf Region Division (GRD). The new table will allow input data at project and task level from their project management system (MAXIMO). This new correlation table will assist GRD in more effectively reporting data to higher headquarters and other agencies. We also worked with GRD to load historical data into the table, and we provided advice on proper additions/deletions to the table.

G. We continue to work with USACE activities to assist in the correction of accounting data, mostly in the accounts payable and disbursement transaction registers, which cause out of balances on the General Ledger Posting Status Report (GLPOST) and other recons. All government orders (GO) require the department codes of the performing activity. If data is not available on the GO, the general ledgers will not post to the general ledger detail table. USACE activities must correct the data in order for the required eliminating entries to be processed.

H. We completed extensive changes to the Operating Budget Module to accommodate the unique way local national labor is processed at the Japan District (POJ). This reprogramming should allow POJ to use all aspects of the Operating Budget Module, including labor estimates for all employees, calculating overhead rates, and generating execution reports. We worked with both POJ and Pacific Ocean Division (POD) to ensure that the concerns raised during HQUSACE Command Staff visits were addressed and that the CEFMS Operating Budget module now meets the needs of POJ. We are currently waiting for Japan's prioritized list of execution reports which need to be modified for the local national labor budgets.

I. We corrected 75 cost share subsidiary/general ledger imbalances on 25 CEFMS databases. We also identified and changed the cost share programming to prevent these imbalances from recurring. All cost share subsidiary/general ledger imbalances for USACE have been corrected. We also released a change on 12 Apr 05 to all USACE activities which will cause the cost share withdrawal program to execute automatically each month for all eligible cost share projects. This was previously a manual process requiring USACE activities to withdraw the sponsor's share of cost for each individual cost share project.

J. We developed new funding general ledger correlations which do not update general ledger accounts numbers 1010.31 and 3101.00 for appropriation type 'S' (special funds) and 'T' (trust funds) when a funding authorization document (FAD) is recorded. These changes apply to both military and civil trust funds and special funds that are marked with an appropriation type 'T' or 'S' in CEFMS data manager table 10.81 (Appropriation Departments/Symbols/Fiscal Year Maintenance Screen). This change was recommended by the DoDIG Auditors and requested by the UFC in problem report 4365WFM11. It is a part of the general ledger update changes which will be fielded 1 Oct 05.

K. We recorded funding authorization documents (FAD) for Trust Fund and Special Fund appropriations on our test database so we can begin removing accounts 5700 and 3100 from general ledger updates for trust funds, borrowing authority, and funding to operate the Washington Aqueduct. This change was requested by the UFC in

problem report 2364WFM08 because adjusting entries for updates to these accounts must be made to prepare the financial statements. These adjusting entries are scrutinized by the DoDIG. This is a part of the general ledger update changes which will be fielded 1 Oct 05.

L. The Facility and Equipment Maintenance System (FEMS) Interface changes requested by FEM developers have been completed and we are currently testing them with FEM developers at Anteon in Montgomery before user testing begins at the Walla Walla District (NWW). Initial system testing is scheduled to be completed by 15 Apr 05.

M. We prepared documentation on asset accountability under P2 for the P2 Users Conference in New Orleans. The required revisions for land asset accountability under P2 are identified in problem reports, and we will begin developing the required CEFMS changes once we get the green light from the P2 Team.

N. We made necessary revisions to the Superfund Transaction Query for DoDIG's periodic Superfund audit and met with DoDIG auditors, Walter Carney and Eric Thacker, to discuss required changes to the query criteria.

O. Our office continues to work very closely with USACE Asset Managers in meeting the CFO Audit requirements for asset accountability. Many USACE activities have completed all actions and are working diligently to maintain compliance. Other USACE activities are still striving to retrieve the necessary documentation and correct the accounting records that the auditors have identified as problem areas. We acknowledge the tremendous effort the USACE activities are making to become compliant. Certain findings and subsequent policy for depreciation, useful life years, and documentation requirements were moving targets for more than a year. This caused the asset managers to expend many hours 'undoing' changes that were dictated by policy, and then changed. This is a huge effort for USACE, and all must be diligent in order to fulfill the ever-changing requirements.

P. We continue to review the CEFMS User Manual web documentation status and coordinate with the functional staff and Keltek, our documentation contractor, to identify documentation that requires review/updates to meet audit requirements. Documentation updated prior to 2000 must be updated no later than 30 Jun 2005, and documentation updated between 2001-2002 must be updated no later than 20 Sep 2005. The status of documents due for review has been updated and provided to the CEFMS team.

Q. We participated in the HQUSACE CFO Audit Committee teleconference to discuss the status of the Federal Information System Controls Audit Manual (FISCAM) audit findings. When DoDIG

followed up on the GAO and AAA FISCAM audits, they found that USACE had not completed all required actions. DoDIG plans to start a new FISCAM audit after USACE certifies that corrective action has been completed. It is most important for USACE to complete the actions before the beginning of another audit, because USACE must pay for an independent audit firm to conduct the new audit. The result of the new audit will also influence how the audit of the CFO statements is conducted. A good FISCAM audit result improves the reliability and integrity of the data and requires fewer samples by the auditors. One of the major problems still facing USACE is that many of the AISs running on the Corps of Engineers Enterprise Infrastructure Service (CEEIS) network are not DoD Information Technology Security Certification and Accreditation Process (DITSCAP) certified.

R. We participated in a CEEIS conference call to discuss the conversion to Oracle database version 10g on prior year CEFMS databases. We gathered statistics from the field on the frequency of use of prior year databases. We are especially concerned about the FY 96-99 CEFMS databases because after conversion to 10g, the forms that now function on these databases will no longer function and will only be accessible by SQL. As they complete documentation requirements of the CFO audit of assets, USACE activities will use these databases frequently until the end of July. There are also fifty cost recovery cases being documented for EPA Superfund Litigation. These actions will be finalized in three months. However, these are just the known requirements. We have submitted a Prior FY Database Upgrade Impact Analysis to CEEIS which they will submit to HQUSACE (CECI).

S. We have been working closely with CEEIS to prepare a new server at Central Processing Center (CPC 24) for the GRD CEFMS database. GRD will be moved so that they will not be affected by maintenance downtime during their peak work periods. Because of the time zone difference, the scheduled backups for the current server have been an inconvenience for them. The GRD database should be moved to CPC 24 no later than 30 Apr 05.

T. We continue to have discussions and disagreements with the P2 team on the implementation of the funding restrictions in CEFMS based on the P2 budget. They modified the original agreement to include a restriction by timeframe. We do not agree that this is a workable solution. We have prepared a paper summarizing our objections and submitted it to the P2 Technical Project Manager. Our recommendation is that the P2 Steering Committee should be briefed on the revised requirements and either approve or disapprove the revision.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	805	812
Priority #1 Problems	80	72

Received 176 new problem reports and completed 183 problem reports.

B. Database Imbalances on our 62 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	58	58
One	0	3
Two	3	0
Four	1	0
Six	0	1

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	232
HUNTSVILLE:	24
USACE HQ:	1
DA Interns:	4
TOTAL:	261

B. DISBURSING WORKLOAD DATA:

PAYMENT	CURRENT MONTH Apr 01-12	YEAR TO DATE Oct 01-Apr 12
CHECK:		
CHECKS ISSUED	4,506	74,515
PERCENT OF TOTAL	9%	11%
DOLLAR AMOUNT	\$35,575,428	\$675,413,943
EFT:		
TRANSFERS MADE	23,160	311,494
PERCENT OF TOTAL	91%	89%
DOLLAR AMOUNT	\$696,863,657	\$9,759,982,561

*percentages adjusted for utility checks which do not have to participate in EFT.

IV. OTHER UFC ISSUES:

A. We completed our annual accountable property inventory on 31 Mar 05. Over 99% of the bar tags were scanned including those at remote sites. Approximately 100 property items were declared as excess and removed from the property book during the past year.

B. The Integrated Automated Travel System (IATS) software acceptance test began on 8 Apr 05. Technical and functional support is being provided by the UFC, DFAS, and Professional Software Consortium. Generally, the test has progressed smoothly and is scheduled to end on 15 Apr 05.

C. The UFC recently completed a summary report for the fourth quarter FY04 (July through September 2004) TDY audits. Of the 928 vouchers audited, 249 (26.8%) had a monetary error or errors. This compares to a third quarter FY04 error rate of 22.5%. As has been the case in the past, due diligence by travel voucher approving officials would have identified many of the errors prior to payment. Six USACE activities - Rock Island District, Washington Aqueduct, New York District, New England District, Portland District, and Los Angeles District - did not provide audit results for this quarter.

D. On 4 Apr 05, we submitted revised FY05 manpower utilization plans to HQUSACE (CERM-M). The revisions were minimal with changes of less than one FTE to both civil and military plans. Our utilization report for March reflected a variance of only one tenth of a percent from the initial utilization plan for FY05.

E. At the end of the second quarter, our Revolving Fund facility accounts were well within the required nominal balance of three percent of expenditures. Our overall balance was about \$41K while the allowable nominal balance was about \$1.5M as of 31 March.

F. We have begun development of the UFC FY06 operating budget. The Resource Management Division has issued data calls to managers/offices that provide feeder information, and we anticipate that budget formulation will begin during the last week of April. The Finance Center operating budget, along with workload data, provides the basis for Consolidated Command Guidance (CCG) projections of charges to be assessed to USACE activities for operating finance and accounting support.

G. A conference call was held on 11 Apr 05 concerning the \$36M in debt that is over 90 days old owed to USACE by the District of Columbia Public Schools (DCPS) as of 31 Mar 05. Participants in the conference call included HQUSACE, North Atlantic Division (NAD), Baltimore District (NAB) and UFC personnel. NAB financial personnel have been meeting with their financial counterparts at DCPS on a

biweekly basis to manage the process of facilitating collection of the old debt. The results of their meetings have been productive in that \$37M was collected in February while only \$4M was billed during the same period. NAB hopes to collect another \$15-\$18M during April 05. NAB is not accepting new reimbursable orders from DCPS, as the program is expected to end in 2007. It was agreed that NAB will continue with its current process for managing DCPS receivables until such time as the effort no longer proves effective. At that time, the group will reconvene to discuss the next plan of action.

H. The UFC Travel Division is currently processing PCS/TCS vouchers received on 4 Apr 05.

I. Travel Division personnel forwarded notifications to approximately 350 employees that they should file their 2003 Relocation Income Tax Allowance (RITA) vouchers in association with their permanent change of station (PCS) move. Those employees have not filed as required. The notification stated that those who do not submit their 2003 RITA claims to UFC within 30 days will be billed for the amount of Withholding Tax Allowance (WTA) paid to IRS by UFC on their behalf.

J. The CFO/Civil Reports Division used a new Corp of Engineers Enterprise Management Information System (CEEMIS) report to analyze fluctuations in general ledger accounts. The report compares this year's general ledger balances to last year's, and computes the dollar and percentage change. The analysis will be used to explain variances in the financial statement line items and footnote schedules and will assist in meeting the CFO accelerated reporting requirements.

K. The CFO team is working on compilation of second quarter FY 2005 financial statements and footnotes. We are currently on schedule to meet the accelerated reporting deadlines. Final statements are due on 15 April. We have also begun participation in the daily conference calls with DFAS-Arlington, the DFAS Centers, and OSD Comptroller's office on the status of the second quarter FY 05 CFO financial statement compilation and any outstanding issues.

L. The final thirteen DFAS Central Information Infrastructure (DCII) daily military accounting transaction files have been submitted to clear the October/November suspense items. Missing advance accounts and earning transactions for the month of December were submitted. This consisted of 778 files and 180,297 transactions. The initial January files have been submitted, consisting of 1025 files and 1,784,690 transactions. The remaining transactions to complete the activity for January should be submitted by the end of the week.

M. After several requests, the DFAS DCII Project Manager has agreed to allow a limited number of UFC personnel to have Structured Query Language (SQL) review permissions to the DFAS Central Warehouse (DCW). This ability will not only improve the turnaround, but also save the UFC valuable time in analyzing suspended transactions in the DCII environment.